

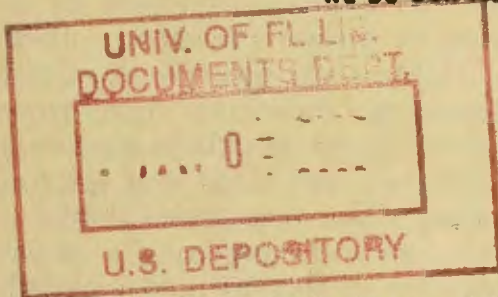
NATIONAL RECOVERY ADMINISTRATION

PROPOSED CODE OF FAIR COMPETITION

FOR THE

PERSONAL FINANCE
INDUSTRY

AS SUBMITTED ON AUGUST 31, 1933



The Code for the Personal Finance Industry
in its present form merely reflects the proposal of the above-mentioned
industry, and *none of the provisions contained therein are
to be regarded as having received the approval of
the National Recovery Administration
as applying to this industry*

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933

NATIONAL BUREAU OF ECONOMIC RESEARCH
PROPOSED CODE OF FAIR COMPETITION

PERSONAL FINANCE
INDUSTRY

SUBMITTED BY

THE AMERICAN ASSOCIATION OF PERSONAL FINANCE COMPANIES

(II)



WASHINGTON, D. C.
1934

PROPOSED CODE OF FAIR COMPETITION AND TRADE PRACTICES FOR THE PERSONAL FINANCE INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of the emergency, the following practices are established as a Code for the Personal Finance Industry.

1. *Definition.*—The term “Personal Finance Company” when used in this Code includes persons, firms, associations, partnerships, and corporations engaged in the business of lending money, usually in sums of \$300 or less, under the so-called “Uniform Small Loan Law” or analagous regulatory state loan laws.

The American Association of Personal Finance Companies is the national association of Personal Finance Companies and affirms that it imposes no inequitable restrictions on its membership and participation in its activities, and it is truly representative as a national association of said business.

2. *Prohibition of Child Labor.*—After September 15, 1933, no Personal Finance Company shall employ any minor under the age of sixteen (16) years.

3. *Hours of Employment.*—(a) No employee shall work in any personal finance office for more than forty (40) hours per week on an average of a five (5) week period provided that outside representatives whose duties require their being away from the office the principal part of the day may work not to exceed forty-eight (48) hours per week on an average of a five (5) week period (such average in both cases being necessary owing to periodic settlements, payments, and emergencies in serving the public).

(b) The provision for working hours provided in subparagraph (a) of this section shall not apply to employees in personal finance offices employing less than two persons in towns of less than 2,500 population, which towns are not a part of a larger trade area; nor to employees in a managerial or executive capacity, or in any other capacity of distinction or sole responsibility who now receive more than thirty-five (\$35) dollars a week.

4. *Minimum Wage.*—No employee shall be paid less than \$15.00 per week in any city of over 500,000 population, or in the immediate trade area of such city; nor less than \$14.50 per week in any city of between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than \$14.00 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; and in towns of less than 2,500 population all wages shall be increased by not less than 20 percent, provided that this shall not require wages in excess of \$12.00 per week. Population for purposes of this Code shall be determined by reference to the 1930 Federal Census.

5. *Labor Provisions.*—1. Employees shall have the right to organize and bargain collectively through representatives of their own



choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

2. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing;

3. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

6. *General Provisions.*—This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act.

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate.

7. *Administration.*—The American Association of Personal Finance Companies, through its Executive Committee may from time to time present to the President or his duly authorized agent recommended amendments or supplements to this Code. Such recommended amendments or supplements shall, upon approval by the President or his duly authorized agent, become operative as part of this Code.

8. *Effective Date of Code.*—This Code shall become effective five days following the date approved by the President.

9. *Expiration Date of Code.*—This Code shall cease to be in effect June 16, 1935, or the earliest date prior thereto on which the President shall by proclamation or the Congress shall by joint resolution declare that the emergency recognized by Section I of the National Industrial Recovery Act has ended.